AMENDED IN ASSEMBLY APRIL 17, 2001

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 1559

Introduced by Assembly Member Diaz Members Diaz and Reyes (Coauthor: Assembly Member Cohn)

February 23, 2001

An act to amend Sections 11700, 11701, 11702, 11710, 11711, 11713, 11725, 11751, 11752, 11753, and 11786.2 of, to repeal Section 11730 of, to repeal Article 11 (commencing with Section 11785) of, and to repeal and add Article 6 (commencing with Section 11735) of Chapter 7 of Part 1 of Division 3 of Title 2 of, the Government Code, relating to information technology, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1559, as amended, Diaz. Department of Information Technology.

(1) Existing law establishes the Department of Information Technology, and requires the department to provide statewide guidance to state agencies regarding various facets of information technology to, among other things, expand the use of information technology to make government more accessible to the public, to develop statewide strategies, policies, and processes to improve the state's overall management of information technology and information technology projects, to develop policies, goals, and objectives for the one-time collection of data, and where feasible, to promote phased implementation and funding of large and complex projects. Various terms are defined for purposes of these provisions.

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This bill instead would require the department to provide statewide guidance to state agencies regarding these various facets of information technology to, among other things, assist state agencies that wish to use information technology to make government more accessible to the public, and to develop statewide strategies, policies, and processes to improve the state's overall management of procurement of information technology and information technology projects. It would delete the provisions relating to the one-time collection of data and the phased implementation and funding of large and complex projects.

This bill would revise the definitions of the terms "information technology" and "infrastructure" for purposes of these provisions.

(2) Existing law provides that the department is under the direction of the Director of Information Technology, and sets forth the duties of the director in, among other things, advocating the exploitation of, and developing plans, policies, and recommendations with respect to the application of, information technology in the state. Among these duties is the submission to specified legislative committees a written progress report—on *in* compliance with specified provisions of law, on or before December 1 of each year.

This bill would delete the provisions specifying the director's duties with regard to the exploitation of information technology in the state, make various revisions in the duties of the director in the development of policies and procedures with respect to the application of information technology in the state, and change the date of the annual report to January 15.

(3) Existing law requires the director to form an information technology advisory committee consisting of representatives of state agencies, a user committee or committees, and an information technology advisory commission, consisting of specified entities.

This bill would repeal these provisions, and instead would authorize the director to form a committee consisting of representatives of state agencies, and an information technology council, consisting of specified entities to provide advice on various information technology issues.

(4) Existing law establishes the Hawkins Data Center within the Department of Justice, the Stephen P. Teale Data Center, which is funded by the continuously appropriated Stephen P. Teale Data Center Revolving Fund, within the Business, Transportation and Housing Agency, and the California Health and Human Services Agency Data Center, which is funded from the continuously appropriated California

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Health and Human Services Agency Data Center Revolving Fund, within the California Health and Human Services Agency. Each of these data centers is subject to consolidation with other information technology centers if the director deems it in the best interest of the state.

This bill would delete the provisions making each data center subject to consolidation with other data centers.

(5) Existing law governing the department, including the data centers, is repealed as of January 1, 2003.

This bill would delete the repeal date of these provisions. By extending the existence of continuously appropriated funds indefinitely, this bill would make an appropriation.

(6) This bill would make a technical, nonsubstantive change.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 11700 of the Government Code is 2 amended to read:
- 11700. (a) The Legislature finds that information technology is an indispensable tool of modern government for the rapid and efficient handling of data, records, communication, and transactions, and for assisting decisionmakers in carrying out their tasks and responsibilities at all levels of government.
- 8 (b) The Legislature finds that advances in information 9 technology, such as automated office systems, personal 10 computers, electronic mail, and others, have the potential to 11 increase the productivity, efficiency, and responsiveness of the
- state's operations. The Legislature finds that a need exists to
- facilitate the productive application of information technology to
- state programs, and to do so in a manner that significantly
- 15 improves the return on the state's investment in this technology.
- 16 Therefore, the Legislature intends that the Department of
- 17 Information Technology created by this chapter, shall improve the
- 18 state's ability to apply information technology effectively, and
- 19 provide guidance and leadership to state agencies in identifying,
- 20 designing, and implementing these applications.
- 21 SEC. 2. Section 11701 of the Government Code is amended

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11701. It is the intent of the Legislature to create the Department of Information Technology that shall do all of the following:

- (a) Provide statewide guidance to state agencies regarding acquisition, management, and appropriate use of information technology to improve operational productivity, reduce the cost of government, enhance service to customers, lower the cost and risk to taxpayers when implementing information technology, and assist state agencies that wish to use information technology to make government more accessible to the public.
- (b) Develop specific statewide strategies, policies, and processes, including oversight, to improve the state's overall management of procurement of information technology and information technology projects; improve the development and contract management of information technology acquisitions; guide state agencies in the acquisition, management, and use of information technology; and provide guidance to all state agencies to ensure that the agency's information technology direction is consistent with the agency's mission, business plan, and a results-oriented management policy.
- (c) Develop statewide policies and plans for information technology that recognize the interrelationships and impact of state activities on local governments, including local school systems, private companies that supply needed goods and services to agencies and the federal government, and require individual state agency plans be aligned with statewide policies and plans.
- (d) Develop appropriate policies and requirements for risk management and for sharing risk and benefits with the private sector in the acquisition of information technology products and services.
- (e) Establish and maintain criteria to be followed by state government in participating with private industry, and federal, state, and local government in demonstrating or developing advanced information technologies.
- (f) Update continuously policies developed in carrying out the 36 intent of this chapter for inclusion in the State Administrative Manual to reflect changing state needs related to information technology.
 - (g) Develop policies and standards to improve the acquisition and management of information technology projects

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1 consultation with the Department of General Services, Office of2 Procurement.

SEC. 3. Section 11702 of the Government Code is amended to read:

- 11702. The following definitions apply for the purposes of this chapter, unless the context requires otherwise:
- (a) "Advanced information technologies" includes, but is not limited to, technologies of a nature providing opportunities of value to the state, and technologies to which the state has limited access because of the lack of previous application to government processes and that limit the competitiveness of the acquisition due to the advanced nature of the technology.
- (b) "Agency" means agency, department, board, commission, data center, or any other state entity.
- (c) "Department" means the Department of Information Technology.
- (d) "Director" means the state chief information officer and the Director of Information Technology, and may be used interchangeably.
- (e) "Information technology" includes all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications that include voice, video, and data communications, requisite system controls, and simulation.
- (f) "Infrastructure" consists of information technology equipment, software, communications networks, facilities, and staff, and includes data centers data centers, and wide area networks.
- 30 SEC. 4. Section 11710 of the Government Code is amended 31 to read:
 - 11710. (a) There is hereby created in the executive branch the Department of Information Technology, that shall be managed by the Director of Information Technology, who shall be appointed by the Governor, with the consent of the Senate, and who shall serve at the pleasure of the Governor.
 - (b) The department, among other duties, shall perform the statutory duties and responsibilities of the former Office of Information Technology. Any reference in any law to the Office of Information Technology or the director of that office shall be

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 considered a reference to the Department of Information Technology and the Director of Information Technology, as the case may be, unless the context otherwise requires.

- (c) The Governor, upon recommendation of the director, shall appoint two officers exempt from civil service who are necessary for the administration of the department. The exempt officers appointed pursuant to this subdivision shall have both knowledge and expertise in the area of information technology. Subject to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5 of Title 2 of the Government Code), the director shall appoint any other assistants and other employees as are necessary for the administration of the department and shall prescribe their duties
- (d) The department shall provide leadership, guidance, and oversight of information technology in state government, including all of the following:
- (1) Development of statewide vision, strategies, plans, policies, requirements, standards, and infrastructure.
- (2) Implementation of efficient, effective, and timely information technology acquisition and project management processes.
- (3) Identification of available information technology resources from both public and private sectors.
- (4) Development and implementation of an information technology equipment and software acquisition strategy that moves the state steadily to an architecture to provide maximum practical compatibility to facilitate information sharing among all computing systems in state government.
- (5) Promotion of reforms in information technology personnel classifications and in systems and procedures that reward skill in meeting business needs and facilitation of change with effective application of information technology.
- (e) The Department of Information Technology shall have possession and control of all relevant records and papers held for the benefit or use of the former Office of Information Technology in the performance of its statutory duties, powers, purposes, and responsibilities.
- 38 SEC. 5. Section 11711 of the Government Code is amended 39 to read:

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11711. The director shall be responsible for all of the following:

- (a) Developing plans and policies to support and promote the effective application of information technology within state government as a means of saving money, increasing employee productivity, and improving state services to the public.
- (b) Overseeing the management of information technology in state agencies, the development and management of information technology projects, and acquisition of information technology to ensure compliance with statewide strategies, policies, and standards.
- (c) Preparing annual reports to the Governor and the Legislature as to the status and result of the state's specific information technology plans.
- (d) Developing and maintaining a computer based file, for use by the department and the Legislature, of all information technology projects for which a feasibility study report has been approved.
- (e) Ensuring that information technology projects are not developed independently or duplicated by individual state agencies.
- (f) Establishing policies and procedures, where appropriate, to ensure that major projects are scheduled and funded in phases and that authority to proceed to the next phase of a project will be contingent upon successful completion of the prior phase. The policies and procedures to be developed by the director shall include the identification of one or more specific results deliverable for each phase that will provide the basis for assessing the extent to which a phase has been completed successfully.
- SEC. 6. Section 11713 of the Government Code is amended to read:
- 11713. In accordance with his or her responsibilities for oversight and guidance of information technology in state government pursuant to this chapter, the director shall continue to develop plans and policies in a coordinated fashion regarding all of the following:
- (a) The state data centers, including technical standards and capacity to support technology initiatives.
- (b) Information technology management personnel, including qualifications standards for those personnel.

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1 (c) Telecommunications networks, including both wide and 2 local area networks.

- SEC. 7. Section 11725 of the Government Code is amended to read:
- 11725. (a) It is the intent of the Legislature that the reorganization and specific requirements specified in this chapter be implemented as quickly as possible. However, the Legislature recognizes that in order for compliance to be most effective, careful planning and execution are essential.
- (b) The director shall provide to the Joint Legislative Budget Committee and the appropriate policy and fiscal committees of the Assembly and Senate, on or before January 15, annually, a written progress report on the plan and schedule for obtaining compliance for all other requirements of this chapter. This annual report shall include a statewide plan for information technology and support of state programs.
- SEC. 8. Section 11730 of the Government Code is repealed. SEC. 9. Article 6 (commencing with Section 11735) of Chapter 7 of Part 1 of Division 3 of Title 2 of the Government Code is repealed.
- SEC. 10. Article 6 (commencing with Section 11735) is added to Chapter 7 of Part 1 of Division 3 of Title 2 of the Government Code, to read:

Article 6. Advisory Bodies

- 11735. (a) The director may form a committee consisting of representatives of state agencies. Members of the committee shall consist of individuals designated by the agency in accordance with Section 11720, or the most senior manager responsible for information technology in the agency. Advisory work groups may also be formed as a part of the committee, to consider various information technology issues or strategies.
- (b) It is the intent of the Legislature that the committee and its work groups provide a forum for discussion and advice regarding information technology issues of mutual interest to all state agencies, including, but not limited to, technical standards, security, and recruitment and retention issues.
- 11736. The director may form an information technology council to provide advice to the director on information

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technology industry best practices. Members of the information technology council should be selected from the private sector, academic sector, nonprofit organizations, and other governmental jurisdictions. Members of the information technology council shall serve without compensation, but may be reimbursed for 5 6 actual and necessary travel expenses.

Section 11751 of the Government Code is amended SEC. 11. to read:

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11751. There is in the Department of Justice the Hawkins 10 Data Center. The Hawkins Data Center shall be under the supervision of a data center director who shall be appointed by the Attorney General, in consultation with the Director of Information Technology, pursuant to civil service. The data center director shall be responsible for the efficient and effective management and operation of the data center.

SEC. 12. Section 11752 of the Government Code is amended to read:

There is in the Business, Transportation and Housing Agency the Stephen P. Teale Data Center. The Stephen P. Teale Data Center shall be under the supervision of a data center director who shall be appointed by the Governor, in consultation with the Director of Information Technology, subject to confirmation by the Senate, and serve at the pleasure of the Governor. The Director of the Stephen P. Teale Data Center shall receive a salary approved by the Department of Personnel Administration. The data center director shall be responsible for the efficient and effective management and operation of the data center. The data center director shall continue to communicate regularly with the Director of Information Technology regarding future needs of the center and the likely impact of emerging technologies.

SEC. 13. Section 11753 of the Government Code is amended to read:

11753. There is in the California Health and Human Services Agency the California Health and Human Services Agency Data Center. The California Health and Human Services Agency Data Center shall be under the supervision of a data center director who shall be appointed by the Secretary of the California Health and Human Services Agency, in consultation with the Director of Information Technology pursuant to civil service. The data center **AB 1559 — 10 —**

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director shall be responsible for the efficient and effective management and operation of the data center.

- 3 SEC. 14. Article 11 (commencing with Section 11785) of Chapter 7 of Part 1 of Division 3 of Title 2 of the Government Code 4 is repealed. 5
- SEC. 15. Section 11786.2 of the Government Code is 6 amended to read:
 - 11786.2. (a) The Information Technology Innovation Council shall evaluate competing project applications based on the guidelines established pursuant to Section 11786.1, and shall make recommendations to the Department of Finance and the Department of Information Technology based on those evaluations. The council may rank its recommendations in order of priority.
- (b) The Department of Finance shall award grants from funds 16 appropriated in the annual Budget Act for the purposes of this chapter, according to the recommendations made pursuant to subdivision (a). The grants shall be awarded only for the projects recommended by the council and only in the amounts recommended by the council.
 - (c) A grant made pursuant to this section shall be in an amount that ensures implementation of a project for a maximum of three years.
 - (d) Funding for a proposed project shall be limited to the amount of the grant provided pursuant to this section. Any additional funding necessary for expanding the scope of a project shall be requested as part of the implementing agency's annual budget development process.